

**VO**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF:** September 30, 2006

**ASSETS**

**CURRENT ASSETS**

<b>101</b> Cash (Disclose on Schedule A)	\$45,551,566
<b>102</b> Current Investments	-
<b>103</b> Accounts Receivable (net) (Disclose on Schedule A)	\$16,490,915
<b>104</b> Notes Receivable (current portion)	-
<b>105</b> Prepaid Expenses	1,616,798
<b>106</b> Other Current Assets (Disclose on Schedule A)	<u>\$1,785,691</u>
<b>107</b> Total Current Assets	<u>\$65,444,970</u>

**NON-CURRENT ASSETS**

<b>108</b> Land	-
<b>109</b> Building	-
<b>110</b> Leasehold Improvements	4,794,545
<b>111</b> Furniture and Equipment	15,097,773
<b>112</b> Vehicles	-
<b>113</b> Total Property and Equipment	<u>\$19,892,317</u>
<b>114</b> Less: Accumulated Depreciation	<u>10,085,692</u>
<b>115</b> Net Property and Equipment	<u>\$9,806,625</u>
<b>116</b> Notes Receivable (net of current portion)	-
<b>117</b> Performance Bond (Disclose on Schedule A)	-
<b>118</b> Long Term Investments	-
<b>119</b> Deposits	485,668
<b>120</b> Other Noncurrent Assets (Disclose on Schedule A)	<u>\$553,171</u>
<b>121</b> Total Noncurrent Assets	<u>\$10,845,464</u>
<b>122</b> TOTAL ASSETS	<u><u>\$76,290,434</u></u>

**LIABILITIES AND NET ASSETS/EQUITY**

**CURRENT LIABILITIES**

<b>201</b> Incurred But Not Reported Claims (Disclose on Sch. A)	\$12,046,067
<b>202</b> Reported But Unpaid Claims	723,521
<b>203</b> Payable to ADHS (Disclose on Schedule A)	\$578,665
<b>204</b> Other Amounts Payable to Providers	5,373,692
<b>205</b> Trade Accounts Payable	3,752,996
<b>206</b> Accrued Salaries and Benefits	6,840,929
<b>207</b> Long-term Debt (current portion)	-
<b>208</b> Deferred Revenue (Disclose on Schedule A)	\$4,328,465
<b>209</b> Risk Pool Payable	-
<b>210</b> Other Current Liabilities (Disclose on Schedule A)	<u>\$3,918,477</u>
<b>211</b> Total Current Liabilities	<u>\$37,562,812</u>

**NON-CURRENT LIABILITIES**

<b>212</b> Long-term debt (net of current portion)	-
<b>213</b> Loss Contingencies (Disclosed on Schedule A)	\$0
<b>214</b> Other Noncurrent Liabilities (Disclose on Schedule A)	<u>\$1,330,505</u>
<b>215</b> Total Noncurrent Liabilities	<u>\$1,330,505</u>
<b>216</b> TOTAL LIABILITIES	<u>\$38,893,317</u>
<b>217</b> NET ASSETS/EQUITY	
Unrestricted Net Assets	37,397,117
Restricted Net Assets (Disclose on Schedule A)	\$0

<b>218</b> TOTAL LIABILITIES AND NET ASSETS/EQUITY	<u><u>\$76,290,434</u></u>
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**VO**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF:**  
**Schedule A Disclosures**

September 30, 2006

**ASSETS:**

**Cash**

Unrestricted	45,551,566
Restricted	\$ -
Total Cash	<u><u>\$45,551,566</u></u>

**Accounts Receivable**

**ADHS**

Program ID	Category ID
Current Year	
TXIX Child	-
TXIX CMDP	-
TXIX SMI	-
HIFA II SMI	-
TXIX GMHSA	-
HIFA II GMH	-
TXIX DD Child	-
TXIX DD Adult	-
TXXI Child	-
TXXI Adult	-
NTXIX/XXI Child	318,577
NTXIX/XXI SMI	8,176,352
Mental Health	466,676
Substance Abuse	1,980,264
Prevention Intervention	515,385
ADHS DOC	203,962
PASRR	3,600
HB2003 Child	-
HB2003 SMI	-
NTXIX/XXI SMI	Community Placement
Select Program	Identify category
Prior Year	
TXIX Child	-
TXIX CMDP	-
TXIX SMI	-
HIFA II SMI	-
TXIX GMHSA	-
HIFA II GMH	-
TXIX DD Child	-
TXIX DD Adult	-
TXXI Child	-
TXXI Adult	-
NTXIX/XXI Child	-
NTXIX/XXI SMI	-
Mental Health	-
Substance Abuse	-
Prevention Intervention	-
ADHS DOC	-
PASRR	-
HB2003 Child	-
HB2003 SMI	-
Select Program	Identify category

Prior Year

TXIX Child	-
TXIX CMDP	-
TXIX SMI	-
HIFA II SMI	-
TXIX GMHSA	-
HIFA II GMH	-
TXIX DD Child	-
TXIX DD Adult	-
TXXI Child	-
TXXI Adult	-
NTXIX/XXI Child	-
NTXIX/XXI SMI	-
Mental Health	-
Substance Abuse	-
Prevention Intervention	-
ADHS DOC	-
PASRR	-
HB2003 Child	-
HB2003 SMI	-
Select Program	Identify category

**Non-ADHS &/or Unrelated Business**

Current Year	
Employee receivables	16,640
MMA pharmacy receivable	2,397,171
M.	-
Non-HB2003 provider receivables and MMA receiv	1,450,515
Rehabilitative Services Administration	-
Accrued interest receivable	164,925

**LIABILITIES:**

**IBNR Claims Estimate**

Current Year	
FY 06	9,988,160
Prior Year(s)	
FY05	2,057,907
FY04	
Total IBNR	<u><u>\$12,046,067</u></u>

**Payable to ADHS (Detail of Line 203)**

Program ID	Category ID
Prior Year	
NTXIX/XXI Child	Profit/Risk Corridor
Admin & Mgmt Gen	Sanctions
	\$405,712
	\$172,953
	<u><u>\$578,665</u></u>

**Total Payable to ADHS**

**Deferred Revenue from: (Detail of Line 208)**

Program ID	Category ID
ADHS	
Current Year	
TXIX Child	\$325,337
TXXI Child	\$260,529
NTXIX/XXI Child	\$184,684
TXIX SMI	\$13,426
Select Program	
Prior Year	
Other	FY05 Incentive Payment
Select Program	\$3,544,489
Other	\$0
Identify Category	
Non-ADHS &/or Unrelated Business	
Current Year	
Identify Program	Identify Category
Identify Program	Identify Category
Prior Year	
Identify Program	Identify Category
Total Deferred Revenue	<u><u>\$4,328,465</u></u>

**Other Current Liabilities (Detail of Line 210)**

Identify Other Current Liabilities	
Insurance	144,064
Accrued audit fees	102,068
Casa Buena Payable	-
Deferred Lease Liability	965,413
Due to affiliates	635,641
Income tax payable to parent	(1,393,305)
Legal	-
Malpractice Reserve	3,508,608
Miscellaneous	(44,013)
Total Other Current Liabilities	<u><u>\$3,918,477</u></u>

Case management receivable	51,521	<b><u>Loss Contingencies (Detail of Line 213)</u></b>	
Casa Buena	540,815	Identify Loss Contingencies	
Medicare receivable	187,836		
Lab Receivables	16,676	<b>Total Loss Contingencies</b>	<b><u>\$0</u></b>
Prior Year		<b><u>Other Noncurrent Liabilities (Detail of Line 214)</u></b>	
Employee receivables	-	Deferred lease credit - noncurrent	1,330,505
RxInnovations	-	Deferred tax - noncurrent	-
M.	-		
Non-HB2003 provider receivables	-	<b>Total Other Noncurrent Liabilities</b>	<b><u>\$1,330,505</u></b>
Rehabilitative Services Administration	-		
Accrued interest receivable	-		
Case management receivable	-	<b><u>Restricted Net Assets (Detail of Line 217)</u></b>	
Medicare receivable	-	Identify Restricted Net Assets	
Lab Receivables	-		
		<b>Total Restricted Net Assets</b>	<b><u>\$0</u></b>
<b>Allowance for Doubtful Accounts</b>			
<b>Total Accounts Receivable</b>	<b><u>16,490,915</u></b>		
<b><u>Other Current Assets (Detail of Line 106)</u></b>			
Deferred tax asset	1,785,691		
<b>Total Other Current Assets</b>	<b><u>\$1,785,691</u></b>		
<b><u>Other Noncurrent Assets (Detail of Line 120)</u></b>			
Deferred tax asset	553,171		
<b>Total Other Noncurrent Assets</b>	<b><u>553,171</u></b>		
<b><u>PERFORMANCE BOND:</u></b>			
Type of Security & Amount -	LOC	\$49,932,012	

**Adjustments:**

Disclose and describe any adjustments made to previously submitted financial statements, including those that affect the current period financial statements.

**Payables to ADHS - Other\* Category**

Disclose items recorded as "Other" in the category for Payable to ADHS Section

**Explain ≥10% fluctuation in account from prior period**

Describe fluctuation in each account greater than 10%

103. Accounts receivables increased 17.11% due to the timing of cash received from ADHS.

206. Accrued salaries and benefits decreased 25.46% due to timing of normal payroll tax cycle.

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STATEMENT OF CHANGES IN NET ASSETS / EQUITY

AS OF : September 30, 2006

			Net Assets / Retained Earnings	Total
	Initial Capital	Additional Capital		
Beginning Balance: July 1, 2006	31,814,717	1,006,000	2,408,314	35,229,031
* Net Surplus / Net Earning for the period ended: September 30, 2006	-	-	(1,858,569)	(1,858,569)
Dividends Declared		-	-	-
** Prior Period Adjustments	-	4,026,655	-	4,026,655
Ending Balance: September 30, 2006				-
	<u>\$ 31,814,717</u>	<u>\$ 5,032,655</u>	<u>\$ 549,745</u>	<u>\$ 37,397,117</u>

\* Net of dividends declared

\*\* Disclosure of Prior Period Adjustments

Parent put \$1,200,000 into capital in July 2005

STATEMENT OF ACTIVITIES																								
YEAR TO DATE AS OF:																								
September 30, 2006																								
*DISCLOSE ON SCHEDULE A																								
	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	HB2003 SMI	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL	
REVENUES																								
401	Revenue Under ADHS Contract																							
a	ADHS Revenue	20,660,849	8,287,770	1,591,255	1,663,952	1,382,735	0	48,621,483	1,251,362	19,890,847	532,775	56,129	0	20,392,143	281,910	550,207	5,808,985	1,499,065	12,000	203,962	0	132,687,428	0	132,687,428
b	ADHS Revenue - Qualifying Incentive Payments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
402	Specialty & Other Grants*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
403	Client Fees (Co-pays)	0	0	0	0	0	0	162	0	184	0	0	0	2	0	8	3	0	0	0	0	358	0	358
404	Third Party Recoveries																							
a	Medicare	0	0	0	0	0	0	90,665	0	66,015	0	0	608	0	2,479	192	0	0	0	0	159,960	0	159,960	
b	Other Insurance	0	0	0	0	0	0	32,164	0	32,431	0	0	0	0	2,006	267	0	0	0	0	66,869	0	66,869	
405	Interest Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	514,256	0	514,256	
406	Other Funding Sources - Non ADHS*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,465	6,465	0	6,465	
407	Unrelated Business Activities*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
408	TOTAL REVENUE	20,660,849	8,287,770	1,591,255	1,663,952	1,382,735	0	48,744,474	1,251,362	19,989,478	532,775	56,129	0	20,392,753	281,910	554,699	5,809,447	1,499,065	12,000	203,962	6,465	132,921,080	514,256	133,435,336
EXPENSES																								
Service Expenses:																								
501	Treatment Services																							
a	Counseling																							
1	Counseling, Individual	2,399,885	914,050	51,061	144,124	196,064	0	1,583,029	15,037	800,587	0	4,374	0	2,110,211	33,871	111,188	602,345	0	0	0	8,965,826	0	8,965,826	
2	Counseling, Family	1,445,013	443,925	38,777	71,732	124,287	0	180,290	2,296	93,503	0	592	0	97,052	3,486	13,459	8,410	0	0	0	2,522,822	0	2,522,822	
3	Counseling, Group	159,579	34,233	1,711	15,217	15,841	0	330,260	1,299	160,254	0	1,358	0	1,125,169	8,728	44,384	485,883	0	0	0	2,383,917	0	2,383,917	
b	Consultation, Assessment & Specialized Testing	1,216,677	191,225	32,870	42,910	94,021	0	522,297	8,745	308,658	11,897	2,583	0	1,431,574	22,099	235,552	356,277	0	0	0	4,477,386	0	4,477,386	
c	Other Professional	19,871	2,161	0	126,440	227	0	1,065	0	385,409	0	0	23	0	94,789	391,096	0	0	0	0	1,021,082	0	1,021,082	
d	Total Treatment Services	5,241,025	1,585,594	124,418	400,422	430,439	0	2,616,941	27,377	1,748,411	11,897	8,908	0	4,764,030	68,185	499,373	1,844,012	0	0	0	19,371,033	0	19,371,033	
502	Rehabilitation Services																							
a	Living Skills Training	1,790,602	719,826	76,163	141,057	92,323	0	2,341,505	31,863	811,639	39,705	194	0	166,971	3,281	4,319	13,506	0	0	0	6,232,954	0	6,232,954	
b	Cognitive Rehabilitation	373	163	0	28	0	0	86	0	0	0	0	0	0	0	0	0	0	0	0	651	0	651	
c	Health Promotion	20,581	7,726	442	639	2,350	0	156,425	6,201	64,502	0	0	0	36,282	307	862	5,446	0	0	0	301,763	0	301,763	
d	Supported Employment Services	2,362	998	0	2,277	26	0	1,226,100	73,367	468,362	6,657	14	0	219,293	1,731	2,295	13,007	0	0	0	2,016,489	0	2,016,489	
e	Total Rehabilitation Services	1,813,918	728,713	76,605	144,000	94,699	0	3,724,117	111,431	1,344,502	46,363	208	0	422,546	5,319	7,476	31,959	0	0	0	8,551,857	0	8,551,857	
503	Medical Services																							
a	Medication Services	294	0	0	576	0	0	175,174	3,870	50,748	0	6	0	673,735	1,377	6,403	266,447	0	0	0	1,178,630	0	1,178,630	
b	Medical Management	678,170	93,813	40,960	28,029	57,542	0	2,457,317	51,234	1,283,644	162,275	3,332	0	823,017	20,105	45,850	33,597	0	0	0	5,778,886	0	5,778,886	
c	Laboratory, Radiology & Medical Imagin	19,991	3,013	1,326	593	1,415	0	124,387	3,145	76,684	4,812	129	0	64,782	768	4,861	8,728	0	0	0	314,634	0	314,634	
d	Electro-Convulsive Therapy	0	0	0	0	54	0	34,729	0	30,674	0	0	0	4,168	0	0	0	0	0	0	69,624	0	69,624	
e	Total Medical Services	698,456	96,827	42,286	29,198	59,011	0	2,791,606	58,249	1,441,749	167,087	3,467	0	1,565,702	22,249	57,115	308,772	0	0	0	7,341,774	0	7,341,774	
504	Support Services																							
a	Case Management	53,132	31,273	4,969	4,547	1,767	0	16,132,858	256,325	7,510,578	191,057	9,321	0	1,504,927	34,113	437,931	158,756	0	0	0	26,331,555	0	26,331,555	
b	Personal Assistance	238,561	179,695	46,567	92,814	19,415	0	3,092,819	25,850	817,879	0	0	0	158,016	4	162	121	0	0	0	4,671,903	0	4,671,903	
c	Family Support	971,504	272,352	46,205	38,475	42,285	0	6,812	1,331	0	0	0	0	4,305	3	280	1,384,296	0	0	0	1,384,296	0	1,384,296	
d	Peer Support	87,386	57,894	9,453	4,465	5,998	0	612,246	6,962	205,428	2,877	123	0	225,973	2,362	6,828	83,774	0	0	0	1,321,769	0	1,321,769	
e	Therapeutic Foster Care Services	866,841	2,348,741	19,770	35,327	8,589	0	93,393	20,061	20,061	0	0	0	0	0	1,251	0	0	0	0	3,393,974	0	3,393,974	
f	Respite Care	549,246	166,097	20,097	9,792	18,904	0	313	0	5	0	0	306	0	26	3	0	0	0	0	764,789	0	764,789	
g	Housing Support	0	0	0	0	0	0	0	0	589,442	0	0	0	0	0	13,027	119,642	0	0	0	722,111	0	722,111	
h	Interpreter Services	0	0	0	31,122	0	0	0	0	16,110	0	0	0	0	0	25,770	4,318	0	0	0	77,320	0	77,320	
i	Flex Fund Services	0	0	0	105,453	0	0	0	0	49,098	0	0	0	0	0	5,565	11,072	0	0	0	171,189	0	171,189	
j	Transportation	239,826	46,411	6,763	9,758	10,930	0	942,125	25,400	354,395	2,774	601	0	441,209	1,783	119,334	61,208	0	0	0	2,262,516	0	2,262,516	
k	Block Purchase NTXIX Consumer Drop In Cente	0	0	0	0	0	0	235,494	0	83,568	0	0	0	13,824	0	0	225	0	0	0	333,111	0	333,111	
l	Total Support Services	3,016,496	3,102,464	150,368	336,742	106,356	0	21,116,059	314,547	9,647,894	196,707	10,046	0	2,348,561	38,291	608,899	441,102	0	0	0	41,434,533	0	41,434,533	
505	Crisis Intervention Services																							
a	Crisis Intervention - Mobile	454,929	75,583	28,468	210,402	21,633	0	676,161	40,026	237,572	0	1,360	0	752,017	2,550	514,855	117,378	0	0	0	3,132,933	0	3,132,933	
b	Crisis Services - Mobile	94,230	19,567	3,725	13,795	8,718	0	358,554	3,511	108,453	0	475	0	1,111,893	2,150	132,950	634,850	0	0	0	2,492,874	0	2,492,874	
c	Crisis Phones	2,253	1,293	157	182	78	0	677,423	10,703	318,987	12,332	364	0	62,153	1,586	18,112	6,744	0	0	0	1,112,366	0	1,112,366	
d	Total Crisis Intervention Services	551,412	96,443	32,350	224,379	30,430	0	1,712,138	54,240	665,013	12,332	2,199	0	1,926,063	6,285	665,916	758,972	0	0	0	6,738,173	0	6,738,173	
506	Inpatient Services																							
a	Hospital																							
1	Psychiatric (Provider Types 02 & 71	749,688	265,810	29,358	16,617	36,055	0	3,796,111	55,124	2,238,442	0	4,401	0	1,464,029	8,343	448,759	111,091	0	0	0	9,223,828	0	9,223,828	
2	Detoxification (Provider Types 02 & 71	0	0	0	0	0	0	19,566	328	15,645	0	0	0	54,876	0	663	1,153	0	0	0	92,232	0	92,232	
b	Sub acute Facility																							
1	Psychiatric (Provider Types B5 & B6	54,571	59,838	10,802	0	505	0	1,038	0	0	0	0	0	0	0	0	0	0	0	0	126,755	0	126,755	
2	Detoxification (Provider Types B5 & B6)	0	0	0	0	0	0	14,064	0	4,325	0	0	0	206,590	208	4,944	86,208	0	0	0	316,339	0	316,339	
c	Residential Treatment Center (RTC)																							
1	Psychiatric - Secure & Non-Secure Provider Types	1,493,425	1,470,103	0	25,013	58,551	0	799,197	9,207	292,010	0	0	0	72,216	87	53,002	13,229	0	0	0	4,286,040	0	4,286,040	
2	Detoxification - Secure & Non-Secure (Provider Type																							

STATEMENT OF ACTIVITIES																							
YEAR TO DATE AS OF:																							
September 30, 2006																							
*DISCLOSE ON SCHEDULE A																							
	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	HB2003 SMI	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
Administrative Expenses:																							
601 Salaries	512,743	205,786	39,501	41,288	34,332	0	1,207,154	31,064	493,791	13,226	1,394	0	506,289	6,999	13,659	144,208	37,214	306	5,063	0	3,294,017		3,294,017
602 Employee Benefits	115,317	46,282	8,884	9,286	7,721	0	271,491	6,986	111,054	2,975	313	0	113,865	1,574	3,072	32,433	8,370	69	1,139	0	740,830		740,830
603 Professional & Outside Services	78,754	31,607	6,067	6,341	5,273	0	185,411	4,771	75,843	2,031	214	0	77,763	1,075	2,098	22,149	5,716	47	778	0	505,939		505,939
604 Travel	15,411	6,185	1,187	1,241	1,032	0	36,283	934	14,842	398	42	0	15,217	210	411	4,334	1,119	9	152	0	99,008		99,008
605 Occupancy	21,973	8,819	1,693	1,769	1,471	0	51,732	1,331	21,161	567	60	0	21,697	300	585	6,180	1,595	13	217	0	141,162		141,162
606 Depreciation	124,555	49,990	9,596	10,030	8,340	0	293,241	7,546	119,952	3,213	339	0	122,988	1,700	3,318	35,031	9,040	74	1,230	0	800,181		800,181
607 All Other Operating*	641,331	257,394	49,408	51,642	42,942	0	1,509,890	38,854	617,627	16,543	1,743	0	633,259	8,754	17,084	180,373	46,547	382	6,333	0	4,120,107		4,120,107
608 Subtotal ADHS Administrative Expenses	1,510,084	606,063	116,336	121,597	101,112	0	3,555,202	91,486	1,454,270	38,952	4,104	0	1,491,077	20,612	40,227	424,708	109,600	900	14,912	0	9,701,244	0	9,701,244
650 Non ADHS Administrative Expenses*																							
651 Unrelated Admin. Expense*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	179,983	179,983
652 Subtotal Administrative Expense	1,510,084	606,063	116,336	121,597	101,112	0	3,555,202	91,486	1,454,270	38,952	4,104	0	1,491,077	20,612	40,227	424,708	109,600	900	14,912	0	9,701,244	179,983	9,881,227
701 Unrelated Business Expenses*																					0		0
790 Income Tax Provisions																							
a ADHS Income Tax Provision	643,298	(421,563)	225,410	67,551	44,051	0	40,851	28,490	(1,683,274)	19,924	(6)	0	325,132	4,328	(728,948)	184,631	61,699	0	(80,378)	0	(1,268,804)	0	(1,268,804)
b Non ADHS Income Tax Provision	0	0	0	0	0	0	48,889	0	39,206	0	0	0	242	0	1,786	184	0	0	0	2,341	92,648	121,046	213,694
799 Subtotal Income Tax Provision	643,298	(421,563)	225,410	67,551	44,051	0	89,740	28,490	(1,644,068)	19,924	(6)	0	325,375	4,328	(727,162)	184,815	61,699	0	(80,378)	2,341	(1,176,156)	121,046	(1,055,110)
800 TOTAL EXPENSES	19,527,689	9,030,346	1,194,198	1,544,962	1,305,138	0	48,586,398	1,201,178	22,885,480	497,677	56,141	0	19,819,610	274,287	1,835,584	5,483,898	1,390,384	12,000	345,560	2,341	134,992,876	301,029	135,293,905
801 INC/(DEC) IN NET ASSETS/EQUITY	1,133,160	(742,576)	397,057	118,990	77,597	0	158,076	50,184	(2,896,002)	35,098	(12)	0	573,143	7,623	(1,280,885)	325,549	108,681	0	(141,598)	4,124	(2,071,796)	213,227	(1,858,569)
*Disclose on Schedule A																							



	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	HB2003 SMI	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN/MGMT/ GEN	TOTAL
<b>ADJUSTMENTS</b>																							
(Disclose and describe any adjustments to previously submitted financial statements including those that affect the current financial statements)																							

**Analysis:**

(Compare prior quarter activity to current quarter activity for each column [program] and each row major category of service.)

1. TXIX Child decreased due to Year-end adjustment of FFS expense.
2. TXIX CMDP increased due to increased efforts to utilize RTC.
3. NTXIX Child decreased due to decrease in demand and the fact that more consumers are becoming TXIX population.
4. TXIX DD Adult increased due to trend increase in pharmacy expenses.
5. HIFA decreased due to correcting ticket to work problem incorrectly that attributed to people who are ticket to work eligibility to HIFA instead of TXIX.
6. TXXI Adult increased due to increase in medical expenses.
7. Substance Abuse increased due to putting more funds to system to support Methamphetamine initiative which began in 2006.
8. Medical services increased due to increase in utilization and pharmaceutical costs.
9. Rehabilitation services are declining due to providers stop providing services when they were encountered with issues of reimbursement at ACCESS rate. Now, issues has been addressed, we are anticipating rehabilitation costs to increase.
10. The increase in Medical services offset decrease in Rehabilitation services.
11. Inpatient services decreased due to aggressive management of Inpatient stays and shorting the stays at ST. Luke & MIHS.
12. Residential services and Behavioral services increased due to reduction of Inpatient services.
13. Other ADHS services increased due to increase in PASRR.



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**STATEMENT OF CASH FLOWS**

**YEAR TO DATE FOR PERIOD ENDED:**

September 30, 2006

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Changes in Net Assets	(1,858,568)
Adjustments to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities:	
Depreciation and Amortization	3,018,274
Changes in Operating Assets and Liabilities	
<b>(Increases)/Decreases in Assets:</b>	
Current Investments	-
Receivables	(6,327,114)
Inventory & Prepaid Expenses	106,882
Interest Receivable	(143,768)
Deposits	-
Other	-
<b>Increases/(Decreases) in Liabilities:</b>	
IBNR	1,493,617
RBUC	(96,084)
Accounts Payable to ADHS	(2,890)
Accounts Payable to Providers	679,105
Interest Payable	-
Trade Accounts Payable	(99,901)
Accrued Salaries & Benefits	(600,699)
Other Current Liabilities	4,334,944

**NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

503,797

**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from Sale of Property & Equipment	-
Purchases of Property & Equipment	(2,465,881)
Proceeds from Sales of Investments	-
Purchase of Investments	-

**NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES**

(2,465,881)

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Acquisition of Debt (Describe on Schedule A)	4,026,655
Payment of Lease Obligations	-
Payment of Other Debts (Describe on Schedule A)	-

**NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES**

4,026,655

**NET INCREASE/(DECREASE) IN CASH**

2,064,571

**BEGINNING CASH**

43,486,995

**ENDING CASH BALANCE \***

45,551,566

**\*NOTE: ENDING CASH BALANCE MUST AGREE WITH TOTAL CASH BALANCE ON BALANCE SHEET**

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**STATEMENT OF CASH FLOWS**

**YEAR TO DATE FOR PERIOD ENDED:**

September 30, 2006

**Schedule A Disclosure**

**Describe:**

1. Sources and amounts of cash received for other grants.

2. Underlying transactions for acquisition of debt.

(Debtor, amount, purpose of loan, term, interest rate of debt acquired during the quarter.)

**Capital infusion from parent company**

4,026,655

3. Underlying transactions for retirement of debt.

(Debtor, amount paid off.)

4. Cash Flows From Financing Activities - Payment of Other Debt

**Dividends declared and paid**

-

5. Supplemental data or non-cash investing and financing activities, gifts, etc.